

ship, of their products. Consumer complaints and information given by retailers often lead to investigation of an entire field, beginning with the manufacturing plants and extending through to selected distributors. To make this work possible the Prices Board has required that garments should be marked with the manufacturer's name, licence number, or registered trade mark and with the style number provided by the administrator pricing the article. This enables investigators to trace the article questioned at the retail level back to the manufacturer and his price authorization.

Consolidation of Food Price Orders.—The general food supply was better during 1944 than during 1943 and pressure on food prices was reduced. The general level of retail food prices actually showed a slight decline over the year, and for many products there were periods when prices fluctuated freely below the ceiling. Under these circumstances the Board further consolidated and standardized its food-pricing regulations. Probably the most significant development was the consolidation of the retail provisions of all food price orders into a single document which was issued early in November under the title "Item Index" The Item Index lists the order number and summarizes the retail provisions of all food orders. It also lists the items that are exempt from ceiling regulations. Items not mentioned on the Item Index are those on which the individual seller continues to be held to his own basic-period ceilings. This consolidation was issued primarily for the convenience of retailers and made no fundamental change in the method of calculating any individual ceiling. It was, however, accompanied by a reference table which is used to determine, in cents per unit, the maximum margin which any retailer may take on any product. This table removes the need for retailers to perform the rather involved calculation entailed in determining margins expressed as percentages of selling price.

Trading Under the Ceiling.—In the pricing of fresh fruits and vegetables, an arrangement was introduced which has come to be known as "trading under the ceiling". During 1943, ceilings were placed on a large number of fresh fruit and vegetable items at the grower or shipper level, and wholesalers' ceilings were provided by setting percentage margins over actual cost. In an attempt to keep retail prices down, the margins specified in these orders were made as low as feasible. As a result, many wholesalers found themselves in difficulty. From time to time they suffered inventory losses when the market dropped below the ceiling and they were unable to recover these losses when the market rose, because they were required to calculate their markup on the actual cost of the particular commodity rather than on replacement cost.

During 1944, provisions were therefore introduced which set out the wholesaler's ceiling by adding a margin to the grower's or shipper's ceiling rather than to the wholesaler's actual cost. In this way, the wholesaler was given a specified ceiling price regardless of the cost of the particular shipment. This was an important simplification of ceiling structures and the possibility of a trading profit has the effect of encouraging wholesalers to buy and hold larger stocks of any product which is temporarily low in price, and to concentrate their sales efforts on such products. In this way surpluses are spread throughout the trade instead of concentrating in the hands of producers as would be the case if wholesalers operated on a day-to-day basis. It was felt that if supplies were so heavy that growers could not move their holdings at ceiling prices, that fact, in itself, was evidence that wholesalers